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Rewald Investor Relates Fight to Retrieve Money

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When Bishop, Baldwin, Rewald, Dillingham & Wong collapsed in 1983, Patricia Ann Ebert breathed a sigh of relief.

Several months before the fall, Ebert had withdrawn \$735,000 from Ronald Rewald's bogus investment company.

Then she got the bad news from Thomas Hayes, the man appointed trustee after angry investors forced Rewald's company into bankruptcy. Ebert, Hayes said, would have to return \$228,000 to the bankrupt estate. That amount was the phony interest Ebert received on her investment.

But Ebert showed no bitterness toward Hayes when she testified yesterday at Rewald's federal fraud trial.

"Mr. Hayes was just doing his job," she said. "I believe it's Mr. Rewald's fault."

Of the many stories concerning investors who lost money in BBRD&W, Ebert's has one of the happier endings. She was able to at least get most of her money out of the company. But that did not happen easily, she said.

Ebert, wife of dentist Dr. John Ebert, opened a number of accounts with Bishop, Baldwin.

THEY INCLUDED pension plans for the dentist business, trust accounts for her children, personal and other business accounts. She was looking for tax shelters and Rewald promised that he could handle all of the financial planning, she said.

But it became obvious in 1982 that Bishop, Baldwin was not handling the accounts the way

she wanted. In fact, Rewald's company hired outside accounting firms to do what she thought his company was supposed to be doing.

In the spring of 1982 she began to try to close out her accounts, but Rewald and his lawyers made the process difficult.

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"millionaire" under the care of BBRD&W and suggesting that she take him to lunch. Ebert, however, said she did not consider herself a millionaire at the time and did not intend to take Rewald to lunch.

She finally managed to get all but \$60,000 of her original investment out of the company, Ebert said.

ALSO TESTIFYING yesterday was Susan McGinnis, a model who got to know Rewald in 1982.

McGinnis said Rewald paid for her to go to Europe twice to help out her modeling career.

She said she received \$33,000 overall from Rewald during a "social relationship" that lasted until the Bishop, Baldwin collapse.

As she was leaving the courtroom, McGinnis smiled and nodded at Rewald and he smiled back.

Retired Air Force Gen. Ben Cassiday testified yesterday that he was becoming nervous about his \$45,000 investment in the spring of 1983 because interest rates everywhere but in Rewald's company seemed to be dropping. He decided to leave his money in until July so that he could take advantage of the quarterly interest rates. By that time, however, the company collapsed and Cassiday was among hundreds of other investors who lost millions of dollars.

HUGH FRASER, the man considered partly responsible for forcing Rewald's company into bankruptcy, testified yesterday he lost \$48,000 in the collapse.

After Rewald attempted suicide in July 1983, Fraser led the effort to have BBRD&W forced into bankruptcy to protect whatever assets were there.

Although the bankruptcy came only days after the suicide attempt, it was too late. Investigators found that all of the \$22 million put into the company by investors was spent by Rewald on company overhead, personal expenses or to pay back early investors.

Rewald faces 98 counts of fraud, perjury and tax evasion in connection with the collapse. He maintains the company was a CIA operation and that he took investors' money on orders of the CIA.